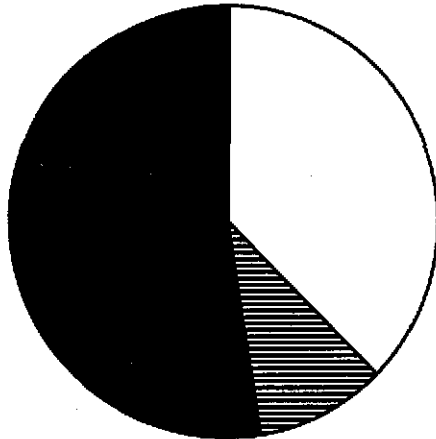


COMMUNICATIONS CAPITAL PROGRAM

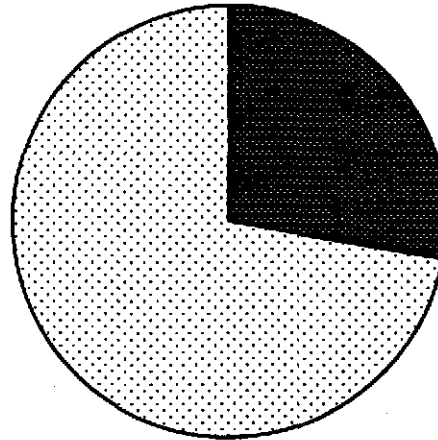
2007-2011 Capital Improvement Program

2006-2007 Adopted
Source of Funds



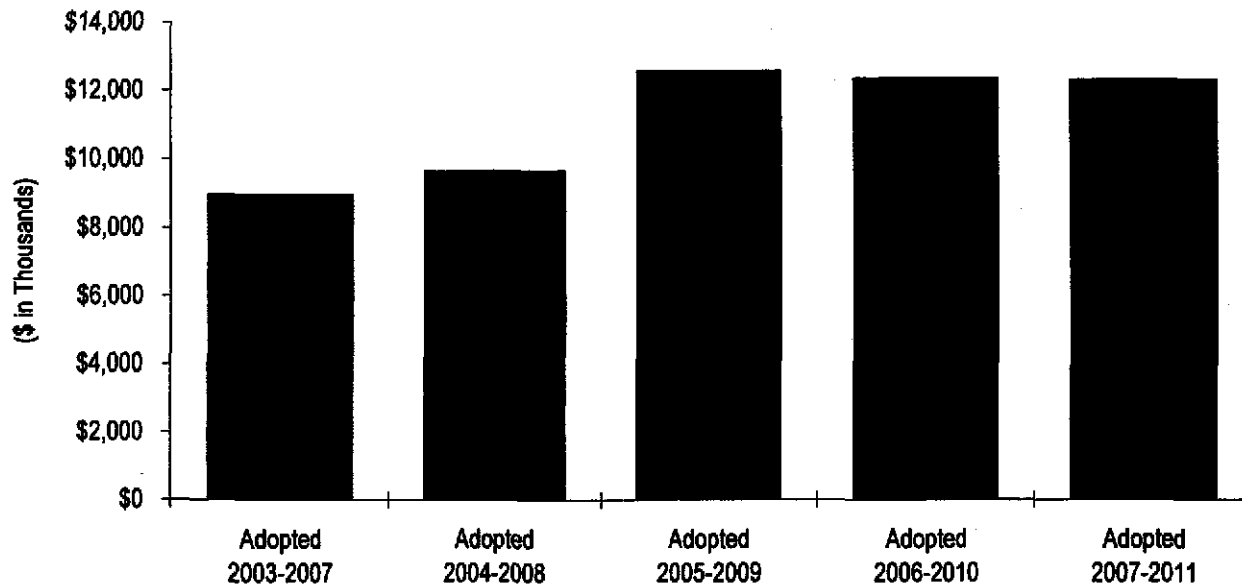
□ Beginning Fund Balance
 ▨ Taxes, Fees and Charges
 ■ Federal Grant

2006-2007 Adopted
Use of Funds



■ Ending Fund Balance
 □ Construction

CIP History



Communications Capital Program

2007-2011 Adopted Capital Improvement Program

Overview

Introduction

In October 1990, the City assumed the responsibility of providing its own emergency communications service for police and fire from the County of Santa Clara. The Communications Capital Improvement Program (CIP) was set up to address the replacement and upgrade of both the public safety and non-public safety radio equipment. The inventory of equipment that is supported by this program consists of approximately 25 fixed-equipment sites, 100 base stations, 980 mobile radios and 1,940 portable radios. The 2007-2011 Adopted CIP provides funding of \$12.3 million, of which \$9.2 million is allocated in 2006-2007.

This program is part of the Strategic Support City Service Area (CSA) and supports the following outcomes from that CSA: *Safe and Functional Public Infrastructure, Facilities and Equipment*; and *Effective Use of State-of-the-Art Technology*. In addition, the program supports one outcome in the Public Safety CSA: *The Public Feels Safe Anywhere, Anytime in San José*.

Program Priorities and Objectives

The Communications CIP's guiding objective is the provision of reliable, necessary public and non-public safety-related communications equipment for all City employees who need this equipment for their jobs.

Based on the CSA outcomes supported by this program, the following list of priorities has been developed:

- Proactively replace public safety-related communications equipment and systems to ensure reliability and optimal performance, and compliance with rules

of the Federal Communications Commission;

- Maintain existing radio equipment in a proactive manner to ensure optimal functionality and to extend the length of service; and
- Strategically plan for future major upgrades and technology changes.

Almost the entire Communications CIP is allocated to equipment replacement and upgrades, which support each of the three priorities. This allocation provides funding to replace communications equipment over the next five years after careful study and planning. The life of the City's current equipment has been expanded as a result of a proactive maintenance schedule. The equipment, nevertheless, will eventually outlive its useful life and the costs of repairing outmoded equipment in some cases have begun to overtake the costs of replacing it.

The City of San José is the lead agency in a microwave radio network project, called "E-COMM", with 75% funding via the Community Oriented Policing Services (COPS) Interoperable Communications Federal Grant. A project manager has been assigned to review the final design and initiate an implementation strategy that will allow for the replacement of the City of San José's existing analog microwave network, and also allow direct connectivity to and from all other 9-1-1 dispatch centers within the County of Santa Clara Operational Area.

In 2007-2008, the replacement of over 400 radio modems and base stations that provide a wireless mobile data connectivity network for public safety vehicles is planned. Part of

Communications Capital Program

2007-2011 Adopted Capital Improvement Program

Overview

Program Priorities and Objectives (Cont'd.)

this process will be to identify potential cost effective alternatives that can continue to provide the same level of reliable mobile data services that are now offered, with an integration of additional wireless technology.

As economic factors continue to impact the General Fund, operation and maintenance support for police and fire systems will remain a top priority.

Sources of Funding

With the exception of the COPS Federal Grant, revenue for the 2007-2011 Adopted CIP is entirely from the Construction and Conveyance (C&C) Tax Fund. The Communications CIP receives 3.40% of the City's C&C Tax. Approximately 98% of this tax is derived from a transfer tax imposed upon each transfer of real property with the remaining 2% generated from a construction tax levied on most types of construction. For the 2007-2011 CIP, it is assumed that collections allocated to the Communications Capital Program will fall to \$918,000 in 2006-2007 (from the current year estimate of \$1,496,000) and will level off at \$782,000 annually for each of the remaining years of the CIP. The phenomenal strength of the local real estate market has driven growth in this category over the past several years. It is anticipated that the housing market will soften and C&C tax receipts will stabilize at a lower and more sustainable level over the next five years.

Program Highlights

Communications Equipment Replacement & Upgrade

As already highlighted, a majority of the Communications Capital Program budget is dedicated to equipment replacement and upgrade. These funds keep the City's communications sites, base stations, and approximately 6,700 mobile radios, portable radios, and mobile data systems functioning and up-to-date. The existing core radio equipment system and infrastructure was installed in 1990 and has an estimated 10-year life cycle for public safety equipment and 15-year life cycle for non-public safety equipment. Both public safety and non-public safety customers will benefit from this scheduled replacement.

Fire Dispatch Channel Expansion

The Fire Dispatch Channel Expansion project is currently evaluating the use of existing City frequencies to achieve the goal of converting the existing dispatch system from a Radio-to-Radio "simplex system" to a Radio-to-Dispatch-to-Radio "repeater system". This project will add an additional Command 2 channel for "on-scene" coordination.

Police Dispatch Voting Receivers

This five-year project, started in 2004-2005, will install 15 additional police voting receivers, and provide for upgrades to radio site equipment. A voting receiver is a device that receives voice transmissions and sends them to the 9-1-1 Center. By installing additional voting receivers, existing radio sites will begin to increase radio coverage across adjoining police and fire department districts